

ALASKACARE EMPLOYEE HEALTH PLAN

ALASKACARE





Agenda

- Open Enrollment Information
- Mid Year Benefit Changes
- What's New for 2013
- Plan Benefits and Comparisons
- Choosing Health Options
- Coordination of Benefits
- Health Flexible Spending Account

Before We Begin

You may want to have reviewed the following documents available on our website:

- Enrollment Guide
- Health Plan Comparison Charts
- Premium Card
- Brochures
 - Coordination of Benefits – if you have other coverage
 - Health Flexible Spending Account

2013 Open Enrollment

- May 20 through June 7
- Coverage changes effective July 1
- Enroll to elect, drop, or change coverage
- Web Enrollment Only
 - You will need your Retirement ID Number (RIN)

Open Enrollment

- Members who do not enroll will be defaulted to same benefits except:
 - Health Flexible Spending Account and Dependent Care Assistance Plan end
 - Enrollees in Premium Employee/Standard Family medical change to Standard Family
 - Premiums recalculate

Mid-Year Benefit Changes

- Outside of Open Enrollment, may change benefits only following qualified status change:
 - Gaining or losing a dependent through birth, adoption, marriage, divorce, death
 - Dependent is no longer eligible
 - Spouse begins or ends employment or begins extended leave without pay
 - You or spouse change from full-time to part time or vice versa
 - Your spouse has significant involuntary change in health coverage

What's New – Short Benefit Year

- Short six-month Benefit Year from July 1 through December 31, 2013
- This will accommodate a change to calendar year beginning January 1, 2014
- Members should make elections for the shortened year
 - Deductibles and Out of Pocket will be pro-rated
 - Annual dollar and service maximums won't be pro-rated
 - HFSA selection is for 6 months of expenses
- Next Open Enrollment will be in November/December for the new Benefit Year

What's New - Benefit Changes

- Premium Employee/Standard Family plan eliminated
 - Members will move to Standard if they do not enroll
- Premium and Standard Medical Plans
 - Deductible changes
 - Out of Pocket Maximum Changes
- Economy Medical Plan
 - No changes in deductible or Out of Pocket Maximum
- Prescription drug copays
 - Retail minimum and maximum copay amounts increase

What's New - Benefit Credit

- \$1,389 monthly for all employees
- State's contribution towards health insurance
- Sufficient for Economy Medical and Preventive Dental; higher levels of coverage are purchased with pre-tax deductions
- Part time employees get one-half the credit if they elect health

What's New - Premiums

- Medical plan premiums increase
- Dental and Vision plan premiums will not change
- Premiums are calculated automatically by the enrollment system
- Premiums are listed on the premium cards on our website

Medical Plan Comparison

	Premium	Standard	Economy
Deductible	\$150 Individual \$300 Family	\$150 Individual \$300 Family	\$250 Individual \$500 Family
Coinsurance	90%	80%	70%
Out of Pocket Maximum <i>Short Plan Year Only</i>	\$175/person after deductible	\$600/person after deductible	\$1000/person after deductible

***Short Benefit Year
Pro-rated Deductibles and Out of Pocket Maximums***

Prescription Drugs

	Up to 30-Day Supply	31 to 90 Day Supply
Participating Pharmacy		
All Drugs	20% Copay	20% Copay
Minimum Copay	\$13	\$21
Maximum Copay	\$61	\$122
Mail Order		
Generic		\$8
Brand Name		\$20
Copay Maximum		\$500 Individual
<i>Short Plan Year Only</i>		\$1,000 Family

Copay Maximum is pro-rated for the short plan year

Prescriptions filled at a nonparticipating pharmacy or without the pharmacy card are subject to deductible and paid at 60%

Audio Plan

Coinsurance	80%
Covered Services	Ear Exam Hearing Exam Hearing Aids, up to 2 plus related equipment
Individual Maximum	\$800 per three consecutive benefit years

Dental Plan Comparison

	Premium	Standard	Preventive
Deductibles - Individual			
Class I services	\$0	\$0	\$12.50
Class II and III combined	\$12.50	\$12.50	Not Covered
Family Maximum	\$37.50	\$37.50	\$37.50
Coinsurance			
Class I – preventive	100%	100%	100%
Class II – restorative	85%	85%	Not Covered
Class III – prosthetic	75%	50%	Not Covered
Class IV – orthodontia	50%	Not Covered	Not Covered
Benefit Maximums			
Annual Individual	\$2,500	\$1,500	\$500
Lifetime Individual Orthodontia	\$2,000	Not Covered	Not Covered

Vision Plan Comparison

	Standard (HealthSmart)	Managed Care (VSP)
Providers	Any qualified provider	Preferred Provider
Copay	\$0	Exam \$10; Lenses/Frames \$25
Exams	90% One per year	100% One per year
Lenses	90% One pair per year	100% One pair per year
Frames	90% up to \$90 retail One pair every 2 years	100% up to \$130 retail One pair every 2 years
Contacts	90% up to \$170 One pair per year	100% up to \$105 One pair per year in lieu of lenses
Optional Items	None covered	Progressive & Polycarbonate Anti reflective & scratch resistant
Annual Maximum	\$350/person	N/A

Choosing Health Options

- If you have other health coverage:
 - Check how that plan coordinates with other plans
 - If other coverage is a state employee health trust, review coordination rules between two State-funded plans
 - Review what the other plan covers and compare to this plan, especially benefits that are important to you
 - Determine if having double coverage is worth paying additional premiums

Choosing Health Options

- Whether or not you have other health coverage:
 - Calculate and compare the premium cost for a higher level of coverage or a second plan and the benefits you might receive
 - Determine if contributions to the Health Flexible Spending Account would be better than purchasing additional coverage

Coordination of Benefits

- Plans that cover you and your spouse/partner:
 - Your own plan pays before any plan that covers you as a dependent.
 - Your expenses – your plan is primary
 - Your spouse's expenses – spouse's/partner's plan is primary
 - Your own active employee plan pays before your own retiree plan.
- Plans that cover your children
 - Plan of the parent with first date of birth
 - If divorced:
 - Plan of the parent the decree names or
 - Plan of the parent who has custody, then their spouse/partner, then the noncustodial parent/partner

COB Example

	Primary	Secondary
Covered Expense	\$1,000	\$1,000
Plan Coinsurance	80%	70%
Plan Payment without Coordination	\$800	\$700
Plan Payment with Coordination	\$800	\$200
Total Payment	\$1,000	

Assumes deductible is met and items are covered by both plans

COB Example With Deductible

	Primary	Secondary
Covered Expense	\$500	\$500
Deductible	\$250	\$500
Plan Coinsurance	80%	70%
Plan Payment without Coordination	\$200	\$0
Plan Payment with Coordination	\$200	\$0
Total Payment	\$200	

COB With State Employee Plans

- ASEA/Local 71 health plans have options that allow cost shift to the AlaskaCare Plan
- Increased cost to plan means increased premiums to members
- If a Trust should be primary insurer, and:
 - coverage is waived,
 - pays less than 70%, or
 - has an out of pocket of more than \$3500
 - **AlaskaCare will pay a maximum of 30%**

COB With State Employee Plans

	Primary	Secondary
Covered Expenses	\$1,000	\$1,000
Plan Coinsurance	20%	30%
Plan Payment with Coordination	\$200	\$300
Total Payment	\$500	

Health Flexible Spending Account

- Contribute pre-tax money
 - Minimum-\$20 per month
 - Maximum-\$208 per month
- Use to reimburse out-of-pocket expenses incurred while covered:
 - Deductible and copays
 - Amounts above annual limits
 - Vision expenses - exams, glasses, contacts
 - Orthodontia
 - Laser eye surgery
 - and other items listed in IRS Publication 502

Health Flexible Spending Account

- Use it or Lose it
 - Unused amounts are forfeited at year end
- Short benefit year so contributions should be calculated for six months only
 - Claims can be made for services received July through December

Next Steps

- Decide which health options you want
- Watch the Optional Benefits presentation for information on life insurance, disability benefits, and Dependent Care Assistance
- Get your RIN
 - Need help? Find this button on our website 
- Review your current benefits and enroll!
 - Need help? Watch the enrollment presentation on our website

Questions?

- Review the Open Enrollment webpages, materials and presentations on www.alaska.gov/drb
- Email us at benefits@alaska.gov
- Call us at 800-821-2251 toll free or 465-4460 in Juneau
 - We've expanded our call center hours and are available from 8:30a to 4:00p